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Reserve

NORTH CAROLINA



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No. 28

RALEIGH, N. C.

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## AGRICULTURAL PRICES AND OTHER CURRENT ITEMS

### AGRICULTURAL ESTIMATES

This article is the second in a series illustrating and explaining the steps used in developing official crop reports. The primary objective of these articles is to acquaint farmers and others having agricultural interests with the purposes and objectives of the Crop Reporting Service, and to show the necessity of crop reports in relation to sound agricultural and governmental planning. Thousands of voluntary reports from farmers, businessmen and others furnish the necessary information used in preparing crop reports.

#### 2 - SOURCE OF INFORMATION

The crop reports issued periodically by the Bureau of Agricultural Economics, U. S. Dept. of Agriculture, are prepared from estimates sent in by agricultural statisticians for every State in the Union. These statisticians travel through their States to obtain first-hand knowledge of how crops look, maintain close personal contacts with, and send out questionnaires to, farmers and handlers of agricultural products in their States. The data on the questionnaires, when filled out and returned in envelopes provided for the purpose, are tabulated in the State office. From this mass of first-hand information on crops, the State Statistician and his assistants prepare the estimate for their State and mail their reports in to Washington, D. C. Reports on speculative crops go into a locked mail-box in the office of the Secretary of Agriculture, where they remain until the day of the crop report. Meeting behind locked doors and sealed windows, the Crop Reporting Board reviews the State estimates and from them prepares the crop report for the whole country.

Key figures in estimating the cotton production for any year are ginner's reports on their operations. In the picture, the manager of a cotton gin is shown making out his ginning reports

### PRICES RECEIVED BREAK

During 1948, farmers in the Tar Heel State saw what appears to be the breaking point in the upward trend of prices received for their products. However, many products that reached record peaks during the year, such as dairy products, poultry and eggs, are continuing at or near record levels. Meat animal prices established new records during the year but have fallen somewhat since August.

Tobacco prices were relatively high but were generally slightly lower than prices received for the 1946 crop. Cotton prices were near record levels early in the year but fell sharply during mid-summer. Likewise, prices received for grain, particularly corn, have dropped sharply since the early months of the year.

As indicated by monthly price indexes and ratios, conditions with farmers at the close of 1948 were not as favorable as earlier in the year.

### PIG CROP REPORT DECEMBER 1948

North Carolina's 1948 pig crop totaled 1,489,000 head - a decrease of about 3 percent under last year, according to a recent survey made by the Crop Reporting Service through the cooperation of the State's Rural Mail Carriers. This decrease resulted from smaller pig crops in both the Spring and the Fall; however, the decline below last year was greater in the Spring. The 1948 pig crop was 5 percent above the 10-year (1937-46) average.

The Fall Pig crop for North Carolina totaled 689,000 head - 1 percent less than for the Fall of 1947. There were 106,000 sows farrowing during the period June 1 to December 1 this year. This is 3 percent less than the 109,000 head farrowing during the corresponding period in 1947 but 3 percent more than the 10-year average. There was an average of 6.5 pigs per litter saved during the Fall Season which compares with

(See "Pig Crop", Page 4)

### A VOLUNTARY REPORTER PREPARES HIS REPORT





## N. C. INDEX SHOWS SHARP DROP

The "All Farm Products" index of prices received by North Carolina farmers on December 15 dropped to 242 percent of the 1909-14 base average, and reached the lowest level since July 1946. The index has declined 30 points since mid-October, dropping 22 points in November and 28 points in December. The recent sharp decline in the index resulted primarily from the ending of the flue-cured tobacco selling season. However, the general downward trend in the level of prices received by farmers has influenced the index to some extent.

Except for a 1-point gain in miscellaneous products, all indexes of individual groups of commodities showed declines during the month ended December 15. The tobacco index dropped 30 points to 298 percent while the meat animal index dropped 14 points to 369. The tobacco index for December was based on Burley sale only, whereas, in November it was based on sales of Flue-cured Types 11 and 12. Declines in prices received for hogs, beef cattle, veal calves and lambs accounted for the sharp drop in the meat animal index.

A drop in egg prices brought the poultry index down 2 points to 313. This drop, however, was partially offset by an increase in prices received for poultry. Corn prices continued to decline and were chiefly responsible for the 2-point drop in the grain index. The cotton and cottonseed index and the dairy products index each dropped 3 points during the month.

The ratio of prices received by N. C. farmers to prices paid by U. S. farmers dropped from 109 percent on November 15 to 98 percent on December 15. The ratio is now at the lowest point since January 1942.

NORTH CAROLINA AND UNITED STATES INDEX NUMBERS  
(N.C. PRICES RECEIVED 1909-14 = 100 PERCENT)

COMMODITY	NOV 15 1948	DEC 15 1948	DEC 15 1947	DEC 15 1946	DEC 15 1945
N. C. INDEX NUMBERS					
ALL FARM PRODUCTS....	270	242	274	249	220
COTTON & COTTONSEED..	240	237	272	256	181
GRAINS.....	181	179	251	197	156
MEAT ANIMALS.....	383	369	363	320	225
POULTRY.....	315	313	321	283	268
DAIRY PRODUCTS.....	245	242	241	231	180
TOBACCO.....	328	298	311	275	384
MISCELLANEOUS.....	227	228	235	222	222
RATIO OF PRICES RECEIVED TO PAID*..	109	98	112	118	125
U. S. INDEX NUMBERS					
PRICES RECEIVED.....	271	268	301	264	207
PRICES PAID, INTEREST AND TAXES..	247	247	245	212	176
RATIO OF PRICES RECEIVED TO PAID...	110	109	123	125	118

\* Ratio of N. C. prices received to U. S. paid.

## FEED PRICES DOWN SLIGHTLY

Prices paid for high protein and grain by-products feeds by North Carolina farmers during mid-December were generally slightly lower than a month earlier. Corn meal continued to reflect the low prices being received by farmers for corn, and dropped 25 cents during the month to \$4.65 per hundred weight. Tankage dropped 10 cents per hundred pounds during the month while 16 and 20 percent protein mixed dairy feed and middlings dropped 5 cents each. Laying mash, scratch feed, and 18 percent protein mixed dairy feed showed no change. Average prices paid for cottonseed meal and bran rose 15 and 5 cents respectively per hundred pounds and were the only prices that showed increases during the month.

FEED PRICES PAID BY FARMERS DEC. 15, 1948 WITH COMPARISONS

FEED PER HUNDRED WEIGHT	NORTH CAROLINA		UNITED STATES	
	NOV. 15 1948	DEC 15 1948	NOV 15 1948	DEC 15 1948
- DOLLARS -				
BRAN.....	3.60	3.65	3.06	3.18
MIDDINGS.....	3.90	3.85	3.30	3.34
CORN MEAL.....	4.90	4.65	3.65	3.58
COTTONSEED MEAL.....	3.45	3.60	4.17	4.36
MIXED DAIRY FEED:				
16% PROTEIN.....	3.80	3.75	3.71	3.79
18% PROTEIN.....	4.10	4.10	3.90	3.97
20% PROTEIN.....	4.20	4.15	3.98	4.09
LAYING MASH.....	4.95	4.95	4.55	4.62
SCRATCH FEED.....	4.60	4.60	4.15	4.13
TANKAGE.....	6.90	6.80	6.27	6.56

## U. S. FARM PRODUCTS DROP TO NEW 1948 LOW

Prices received by farmers in mid-December averaged the lowest since February 1947. The 3 point drop in the all commodity index from November to December was largely the result of lower prices for eggs, meat animals, cotton, and cottonseed, which more than offset price increases for oranges, rice, turkeys, and truck crops.

At 268 percent of the August 1909-July 1914 base period, the mid-December prices received index is 13 percent (39) points below the all-time high of 307, reached in January of 1948. During 1948, crop prices dropped much more than livestock prices. The all-crop index at 228 on December 15 was 20 percent below the 284 of January 1948 and 21 percent below the all-time high of 287 in June 1920. The index of prices received by farmers for livestock and livestock products at 305 percent of its 1909-14 base averaged 7 percent below the 328 of January of this year and 11 percent below the all-time high of 344 recorded in July and August 1948.

The parity index (prices paid by farmers including interest and taxes) remained unchanged from November 15 to December 15, and at 247 percent of its 1910-14 average was only 1.6 percent below the high of 251 first reached in January 1948. Declines in rural living costs during the month, mainly as a result of lower food prices, offset increased prices for feed.

The parity ratio (ratio of prices received by farmers for things they sell to prices paid by farmers for things they buy, including an allowance for interest and taxes) dropped 1 point to 109. The ratio ended the year 13 points below the 122 recorded in January and 24 points below the record high of 133 in October 1946.

COMPARISON OF U.S. PRICES RECEIVED BY FARMERS AND PARITY PRICES\*

COMMODITY	PRICES RECEIVED BY FARMERS		PARITY OR COMPARABLE PRICES		ACTUAL PRICES AS PERCENTAGE OF PARITY	
	Nov. 15 1948	DEC. 15 1948	Nov. 15 1948	DEC. 15 1948	Nov. 15 1948	DEC. 15 1948
- DOLLARS -						
COTTON, LB....	.305	.295	.306	.303	100	97
WHEAT, BU....	2.04	2.05	2.18	2.18	94	94
CORN, BU....	1.21	1.23	1.59	1.59	75	77
OATS, BU....	.755	.765	.985	.985	77	78
BARLEY, BU....	1.15	1.13	1.53	1.53	75	74
RYE, BU....	1.51	1.47	1.78	1.78	85	83
BEEF CATTLE, CWT....	21.40	20.50	13.40	13.40	150	153
HOGS, CWT....	21.80	21.10	18.00	18.00	121	117
LAMBS, CWT....	22.00	21.90	14.50	14.50	152	151
CHICKENS, LB.	.293	.307	.282	.282	104	109
EGGS, DOZ....	.583	.528	.632	.643	92	82
MILK, WHSLE. CWT....	4.83	4.81	4.35	4.32	111	111

\* Parity means a price for the farmer's product which will give it exchange value for things the farmer needs to buy equal to that in a specified base period, usually (1909-14)



## ANNUAL REPORT OF DAIRY PRODUCTS MANUFACTURED IN NORTH CAROLINA, 1947

(ALL FIGURES IN THOUSANDS)

MANUFACTURED PRODUCTS	UNIT	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUG.	SEPT.	OCT.	NOV.	DEC.	TOTAL
BUTTER.....	LBS.	59	50	101	115	198	228	259	182	127	248	58	57	1,732
ICE CREAM														
ICE CREAM, WHOLESALE.....	GAL.	835	786	840	1,208	1,283	1,376	1,352	1,429	1,294	1,058	731	695	12,899
ICE CREAM, DIRECT RETAIL.....	GAL.	29	40	43	43	54	72	78	83	52	40	49	25	519
SHERBET (WATER ICES EXCLUDED).....	GAL.	7	13	22	19	20	24	25	33	32	12	8	13	228
ICE MILK.....	GAL.	28	34	50	41	73	81	99	104	85	54	28	15	712
FROZEN CUSTARDS.....	GAL.	-	-	-	5	4	3	4	3	3	2	-	-	24
FROSTED OR FROZEN MALTED MILK.....	GAL.	3	3	3	5	5	11	5	7	5	5	4	4	51
TOTAL ICE CREAM.....	GAL.	855	825	883	1,251	1,347	1,448	1,430	1,512	1,345	1,108	780	722	13,518
CHEESE														
CHEESE, AMERICAN CHEDDAR.....	LBS.	-	-	-	50	145	182	201	193	188	154	101	59	1,293
CHEESE, COLBY OR WASHED CURD.....	LBS.	45	30	35	-	-	-	-	-	-	-	-	-	111
CHEESE, ALL OTHER VARIETIES.....	LBS.	-	-	-	-	-	1	1	1	2	-	-	-	5
CHEESE, COTTAGE CURD.....	LBS.	3	4	8	7	11	11	11	13	9	9	10	7	103
CHEESE, COTTAGE CREAMED.....	LBS.	7	8	13	15	15	12	12	15	15	17	21	6	159
CONDENSED PRODUCTS														
UNSWEETENED CONDENSED MILK (SKIMMED)	LBS.	-	-	-	-	3	17	4	1	-	-	-	-	25
EVAPORATED MILK, CASE GOODS														
UNSWEETENED (WHOLE).....	LBS.	1,527	1,413	1,675	2,208	3,045	3,311	3,590	3,485	3,060	2,634	1,884	1,754	29,599

## N. C. FARM PRODUCTS PRICES DOWN

The decline in the general level of prices received by North Carolina farmers which began early in the summer continued through mid-December. The most important declines during the month ending December 15 were among prices received for corn and most meat animals.

During the middle of December, farmers received an average price of \$1.26 per bushel for corn, the lowest price since March 1943. Corn prices have declined sharply and steadily since July.

Among meat animals, hog prices showed the sharpest losses during the month. Hog prices have declined steadily since mid-August, at which time they reached an all-time record high average of \$26.70 per hundred pounds. Veal calves and beef cattle lost 80 and 50 cents respectively, during the month, while lambs lost 20 cents. Sheep prices gained 20 cents.

Retail milk prices received by farmers declined almost a cent per quart from mid-November to mid-December, while wholesale prices held steady.

## PRICES RECEIVED BY FARMERS DECEMBER 15, 1948 WITH COMPARISONS

COMMODITY	UNIT	NORTH CAROLINA		U. S.
		Nov. 15 1948	Dec. 15 1948	Dec. 15 1948
- DOLLARS -				
TOBACCO, TYPE 31.....	LB.	-	.46	-
CORN.....	BU.	1.35	1.25	1.23
WHEAT.....	BU.	2.20	2.25	2.05
OATS.....	BU.	1.02	1.03	.765
BARLEY.....	BU.	1.70	1.53	1.13
RYE.....	BU.	2.30	2.20	1.47
SOYBEANS.....	BU.	2.24	2.31	2.35
COWPEAS.....	BU.	4.75	5.00	4.15
PEANUTS.....	LB.	.111	.107	.105
COTTON.....	LB.	.302	.297	.295
COTTONSEED.....	TON	60.00	60.00	68.80
WOOL.....	LB.	.47	.48	.457
HOGS.....	CWT.	22.30	21.10	21.10
BEEF CATTLE.....	CWT.	19.00	18.50	20.50
VEAL CALVES.....	CWT.	24.10	23.30	24.90
SHEEP.....	CWT.	9.80	10.00	8.82
LAMBS.....	CWT.	23.20	23.00	21.90
CHICKENS.....	LB.	.32	.33	.307
EGGS.....	DOZ.	.545	.53	.528
MILK: WHOLESALE.....	CWT.	5.70	5.70	4.81
RETAIL.....	QT.	.214	.205	.192
BUTTER.....	LB.	.58	.59	.632
BUTTERFAT.....	LB.	.58	.61	.657
HAY: ALL LOOSE.....	TON	30.30	29.30	19.10
ALL BALED.....	TON	32.50	32.20	23.80
POTATOES.....	BU.	1.70	1.80	1.54
SWEET POTATOES.....	BU.	2.10	2.20	2.19
APPLES, COMMERCIAL.....	BU.	2.00	2.00	2.54
LESPEDEZA SEED.....	CWT.	11.30	11.10	8.61
KOREAN.....	CWT.	8.00	8.80	-
KOBE.....	CWT.	14.00	12.90	-
COM. & TENN. 75.....	CWT.	18.80	18.80	-
SERICEA.....	CWT.	21.00	21.00	-

## FARM LABOR

There were 1,589,000 persons employed on farms in the South Atlantic States on December 1, 1948. Of this number, 1,251,000 were family workers while 338,000 were hired workers. On November 1, 1948, there were 2,117,000 persons employed on farms in the South Atlantic States, and 1,638,000 on December 1, 1947. Total U. S. farm employment on December 1, 1948 was 9,223,000, comparing with 11,054,000 a month earlier and 9,402,000 on December 1, 1947.

In the South Atlantic States, cotton was mostly harvested by December 1, but corn harvest, which had been put off because of cotton picking, was being delayed further by wet weather in many areas. Completion of planting fall grains was also being delayed by rain. Other operations being prolonged were threshing peanuts, harvesting lespedeza seed, and combining soybeans.

In the United States, nearly 2 million fewer people were at work on farms December 1 than a month earlier. Farm employment was down more than usual for the date. Rainy weather had a limiting effect on farm employment in some areas, particularly the South, but for much of the country field operations were more nearly completed than usual for the season.

## COMMERCIAL HATCHERY PRODUCTION HIGH

Commercial hatcheries in North Carolina produced 2,714,000 chicks during November 1948. Production during November compares with 1,758,000 chicks hatched during the previous month and 1,499,000 during November 1947. Hatchings for the first 11 months of 1948 totaled 37,030,000 chicks, compared to 34,874,000 during the same period in 1947.

Total U.S. production during November was 58,576,000, compared to 45,660,000 produced during the previous month and 36,331,000 during November 1947. Output in November reached a record high. The demand for chicks for commercial broilers continues strong and relatively large hatchings may be expected during the next two or three months. The number of eggs in incubators on December 1 was 80 percent larger than on the same date in 1947. The number of chicks booked on December 1 for January delivery was 122 percent larger than on December 1 a year ago. The supply of hatching eggs has been increasing rapidly and is now ample for the strong demand.



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 INFORMATION DIRECT FROM FARMERS

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**NORTH CAROLINA**  
**INCHES OF RAINFALL**  
**DURING DECEMBER, 1948**

Garrett DeMots  
Meteorologist

CROP REPORTING SERVICE  
**NORTH CAROLINA**  
GRAPH PREPARED BY METEOROLOGICAL SERVICE

Garrett DeMots  
Meteorologist